

County of Los Angeles CHIEF EXECUTIVE OFFICE

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March 13, 2012

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From:

William T Fujioka

Chief Executive Officer

SACRAMENTO UPDATE

This memorandum contains a pursuit of a County position on legislation related to coverage of mental illnesses by health plans; an update on actions taken by the Senate Budget and Fiscal Review Committee; and the status of Assembly Joint Resolution 25 related to the Los Angeles Residential Helicopter Noise Relief Act of 2011.

Pursuit of County Position on Legislation

AB 154 (Beall), which as amended January 23, 2012, would require health plans and insurers to provide coverage for the diagnosis and medically necessary treatment of specified mental illnesses, including substance abuse, at a parity with other medical conditions.

Under current law, health plans are required to provide coverage for diagnosis and treatment of specified serious mental illnesses such as schizophrenia, autism and anorexia nervosa. AB 154 would expand coverage parity to individuals with less serious mental health illnesses such as low-grade depression and anxiety. The author of this measure notes that individuals with mental illness quickly exhaust limited health care coverage and personal savings and may become dependent on taxpayer-supported benefits. He further indicates that services for persons with serious mental illnesses are covered under current law, and that AB 154 focuses on the incremental effect of extending coverage parity to persons with non-serious mental illnesses and specified substance abuse disorders.

According to the Department of Mental Health, AB 154 would strengthen the parity for mental health treatment for all Californians, and would further reinforce the requirements under the Federal Mental Health Parity and Addiction Equity Act of 2008, which became effective on January 1, 2010.

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The Department of Mental Health and this office support AB 154. Therefore, consistent with existing Board policy to support legislation to require health plans to pay for mental health care and substance abuse disorders on par with coverage for physical disorders, the **Sacramento advocates will support AB 154**.

AB 154 is supported by the California Emergency Nurses Association, California Medical Association, California Hospital Association, California Primary Care Association, California Psychiatric Association, County Alcohol and Drug Program Administrators Association of California, County Mental Health Directors Association, California State Association of Counties, and the Counties of San Bernardino and Santa Clara. This measure is opposed by the America's Health Insurance Plans, California Association of Health Plans, California Chamber of Commerce, Citizens Commission on Human Rights, and Health Net.

AB 154 is awaiting a hearing in the Senate Health Committee.

Review Hearing on the AIDS Drug Assistance Program

On March 8, 2012, the Senate Budget and Fiscal Review Subcommittee No. 3 rejected the Governor's proposal to increase the client share of cost in AIDS Drug Assistance Program (ADAP) to the maximum allowed under Federal law by a vote of 2 to 1. Under this proposal, ADAP clients would pay average monthly co-payments ranging from \$28 to \$385, depending on the client's income. The Department of Public Health indicates that this proposal would not have a direct impact to the department, but it would impact those persons receiving ADAP benefits.

Legislation of County Interest

On February 24, 2012, Assembly Members Feuer and Blumenfield introduced Assembly Joint Resolution 25 (AJR 25) which urges Congress to enact and the President to sign H.R. 2677, the Los Angeles Residential Helicopter Noise Relief Act of 2011 (Berman). The Sacramento office conveyed support for AJR 25 consistent with your Board action of November 8, 2011 which directed this office to support H.R. 2677.

We will continue to keep you advised.

WTF:RA MR:VE:sb

c: All Department Heads Legislative Strategist